



California Fair Political Practices Commission

October 21, 1988

James A. Reuben
Reuben, Quint and Valkevich
595 Market Street, Suite 1330
San Francisco, CA 94105

Re: Your Request for Advice
Our File No. A-88-369

Dear Mr. Reuben:

You have requested advice regarding your campaign disclosure requirements under the Political Reform Act (the "Act").^{1/}

QUESTION

May a recipient committee receive as a contribution the proceeds of a fundraiser without identifying the persons who made payments to the fundraiser if the contributors to the fundraiser did not know or have reason to know that all or part of their payments would be used for political purposes?

CONCLUSION

A recipient committee may receive as a contribution the proceeds of a fundraiser without identifying the persons who contributed to the fundraiser if the contributors to the fundraiser did not know or have reason to know that all or part of their payments would be used for political purposes.

FACTS

The San Franciscans for the USS Missouri Yes on Proposition S Committee (the "Proposition S Committee"), for which you serve as the treasurer, received a contribution of \$68,927.28 from the San Franciscans for the Homeporting of the USS Missouri (the "Homeporting Committee"). The Homeporting Committee held a fundraising event to launch a media campaign to generate awareness and support for homeporting the USS Missouri in San Francisco before Proposition S was proposed as and became a ballot measure.

^{1/}Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

There was no representation to any person who contributed to the fundraiser sponsored by the Homeporting Committee that any contribution would be used to support or to oppose a ballot measure.

ANALYSIS

The issue you raise is the detail of your disclosure obligation as treasurer for the Proposition S Committee. Specifically, you want to know if the Proposition S Committee must identify each person who contributed \$100 or more to a fundraiser which was held by the Homeporting Committee prior to the formation of your committee and before there was a ballot question.

A contribution is a payment which has been made by the donor for political purposes. (Section 82015.) A payment is made for political purposes if it is for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of a candidate or candidates, or the qualification or passage of any measure. (Regulation 18215, copy enclosed.)

Donations received by an organization, like the Homeporting Committee, which is not formed or existing primarily for political purposes are "contributions" for purposes of the Act only when, at the time of making the payment the donor "knows or has reason to know that the payment or funds with which the payment will be commingled will be used to make contributions...expenditures." (Regulation 18215(c).) In your letter, you indicate that the Homeporting Committee did not make any representations to potential contributors that they were making payments for the political purposes of supporting or opposing a ballot measure or any other ballot question. Based on this information, we conclude that the persons who contributed to the fundraiser did not intend to make payments for the purpose of attempting to influence voters for or against the qualification or passage of Proposition S.

Therefore, the Proposition S Committee may receive the proceeds of the fundraiser as a contribution from the Homeporting Committee without being required to disclose the identity of each person who contributed \$100 or more to the fundraiser held by the Homeporting Committee. The Homeporting Committee should be listed as the source of the contribution of \$68,927.28.

If the Homeporting Committee is not a recipient committee pursuant to Section 82013(a) which has obtained an identification number from the Secretary of State, as we understand is the case, the Proposition S Committee is required to notify the Homeporting Committee that it may be required to file campaign reports. (Section 84105.) The notice is required to be sent within two weeks of receiving the contribution, so if your Committee has not already sent a notice to the Homeporting Committee it should do so promptly.

James A. Reuben
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If you have further questions, you may contact me at (916)
322-5662.

Sincerely,

Diane M. Griffiths
General Counsel

A handwritten signature in cursive script, appearing to read "Bruce W. Robeck".

By: Bruce W. Robeck
Political Reform Consultant

LAW OFFICES OF
REUBEN, QUINT & VALKEVICH

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MATTHEW F. QUINT
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595 MARKET STREET
SAN FRANCISCO, CALIFORNIA 94105

TELEPHONE
(415) 957-9000
FACSIMILE
(415) 957-1727

September 20, 1988

Diane M. Griffiths
General Counsel
Fair Political Practices Commission
428 J Street
Sacramento, CA 95804

Re: San Franciscans for the USS Missouri - Yes on
Proposition S Committee
ID #881499
RQV File No. 943

Dear Ms. Griffiths:

On August 4, 1988, a Statement of Organization (Recipient Committee) was filed for the San Franciscans for the USS Missouri Yes on Proposition S Committee. I am the Treasurer of that organization. The Statement of Organization (Recipient Committee) was amended by a filing on August 25, 1988. On August 10, 1988, the San Franciscans for the USS Missouri Yes on Proposition S Committee ("Yes on S") received its first contribution in an amount of sixty eight thousand nine hundred twenty seven dollars and twenty eight cents (\$68,927.28) from San Franciscans for the Homeporting of the USS Missouri. In an effort to make certain that all of the Yes on S Committee filings are proper, I spoke with Bruce Robeck at the Fair Political Practices Commission on September 1, 1988. I was informed that any money collected from individuals prior to the organization of the Yes on S without any representation or understanding on the part of the donors that monies were being collected in connection with the ballot measure or candidate would not be subject to any reporting requirement of the Fair Political Practices Commission. I was further informed that issues regarding representations to individual donors is a factual good faith question.

In view of that information, I have taken the opportunity to inquire into and investigate the source of the initial contribution. Those monies were collected at a fundraiser held at the Fairmont Hotel on Wednesday, June 15, 1988. At the time of the fundraiser, none of the organizers nor any of the donors had any idea as to whether or not USS Missouri issues would generate any ballot measure. For your information, I have enclosed copies of all of the relevant documentation including the invitation card sent out to a substantial number of individuals supporting

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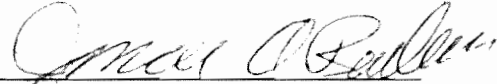
Diane M. Griffiths
Page 2
September 20, 1988

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Under these circumstances, I have come to the conclusion that the Yes on S Committee can accept the sixty eight thousand nine hundred twenty seven dollars and twenty eight cents (\$68,927.28) donation as received from the San Franciscans for the Homeporting of the USS Missouri. If you deem otherwise or require any other information or documentation other than as transmitted with this correspondence, please let me know. I appreciate your review.

Very truly yours,

REUBEN, QUINT & VALKEVICH

By 
James A. Reuben

JAR:db
Enclosures

cc: Jack Davis
Steve Ballard
Joanne Kennedy

San Franciscans of the U.S.S. Missouri in San Francisco

1621 Market Street, San Francisco, CA 94103

May 6, 1980

Steering Committees

BUSINESS & COMMUNITY

Charles S. Warner, Chairman
Bayshore Metals Inc. Pres., CEO

S.F. Chamber of Commerce

S.F. Hotel Association

S.F. Taxicab Association

S.F. Hotel Council

S.F. Police Officers Assn.

Bayview Merchants Assn.

Council of Dept. Store Merchants

American Legion

Golden Gate Ship Repair Assn.

Coalition for Better Housing

S.F. Board of Realtors

Golden Gate Business Assn.

Building Owners & Mgrs. Assn.

Hunters Point Senior Citizens

NAACP

Bay Area Urban League

Downtown Merchants Assn.

Propeller Club

National Maritime Assn.

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Stanley Smith,
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Paul Dempster,
Maritime Trades Port Council

Chuck Mack,
Teamsters JT Council No. 7

Robert Morales,
Bay Area Union Labor Party

Clarence Briggs,
Bay Cities Metal Trades Council

San Franciscans for the Homeporting of the U.S.S. Missouri is a coalition of business, labor, community organizations and private citizens committed to the Homeporting of the U.S.S. Missouri and her group ships. Bringing the Missouri flotilla to San Francisco will mean economic benefits for every sector of the San Francisco business community. More details of the economics are set forth in the invitation.

Critics say the U.S.S. Missouri is nuclear powered -- NOT SO! The weapons system it carries is no different from those carried on ships homeported in Alameda today. Having nuclear capabilities does not mean nuclear weapons are present.

Critics say environmental problems would result -- NOT SO! The extensive environmental impact process has cleared the project.

Some critics say the Navy discriminates -- AGAIN, NOT SO! Federal affirmative action and anti-discrimination standards prevail.

Mayor Art Agnos is saying he will accept the Flotilla but not the U.S.S. Missouri. In checking with the Navy on this matter, they point out that this is not possible because the Flotilla must stay with the Battleship Missouri.

The U.S. Navy wants the U.S.S. Missouri homeported in San Francisco. The most recent survey shows that the majority of the people of San Francisco wants the U.S.S. Missouri homeported in San Francisco.

Your contribution towards this event will be used to launch a media campaign which will include newspaper ads; billboards; radio and motorized cable cars, to generate awareness and support of this cause. A finance committee made up of business and labor will oversee this program.

Please join us in what should prove to be an informative and exciting evening. Your support is vital -- together we will bring the "Mighty Mo" home!

Joe Mazzola
JOSEPH P. MAZZOLA
Chairman, Labor
Committee

Charles S. Warner
CHARLES S. WARNER
Chairman, Business
& Community Committee

DON'T GIVE UP THE SHIP

Homeporting of the U.S.S. Missouri in San Francisco

Dear Friends for the Homeporting of the U.S.S. Missouri in San Francisco

A fund raiser dinner will be held at the Fairmont Hotel in San Francisco on June 15, 1988. Proceeds will be used for a media campaign to generate active support for the homeporting of the U.S.S. Missouri. Each participant will receive a distinctive souvenir program featuring your advertisement commemorating this important event.

Prices for advertisements in the program are as follows:

() INSIDE COVER	\$2,000.00
() BACK COVER	\$2,500.00
() FULL PAGE GOLD	\$1,500.00
() FULL PAGE SILVER	\$1,000.00
() FULL PAGE BLACK AND WHITE	\$ 500.00
() HALF PAGE	\$ 275.00
() QUARTER PAGE	\$ 150.00
() ONE-EIGHTH PAGE	\$ 75.00

Please Print:

Date _____

Advertiser's Name _____

Address _____

City _____ State _____

Telephone _____ Zip _____

Authorized By _____

Title _____

The deadline for advertising orders is May 25, 1988. Instructions and camera-ready ads will be greatly appreciated. All ads will be in the Homeporting program. Please make checks payable to the U.S.S. Missouri Homeporting Committee.

A BENEFIT DINNER SUPPORTING THE
HOMEPORTING OF THE U.S.S. MISSOURI
"DON'T GIVE UP THE SHIP"

It is with pleasure that I support the Homeporting of the
U.S.S. Missouri with the following donation:

____ Patron \$1,000.00 ____ Sponsor \$250.00
____ Benefactor \$500.00 ____ Friend . \$200.00 or under

Please PRINT your name as you wish it to appear in the program:

____ I wish to reserve ____ ticket(s) at \$150.00 per person.
____ Tables for 10 at \$1,500.00.

Name: _____

Firm Name: _____

Address: _____

City: _____ State: _____ Zip: _____

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Please print: _____

Please make check payable to:
Homeporting of the U.S.S. Missouri Committee

All tickets will be held at the door.
Please respond by **May 25th**, 1988.

THE ECONOMIC BENEFITS OF HOMEPORTING THE U.S.S. MISSOURI IN SAN FRANCISCO

- After the arrival of the U.S.S. Missouri, the Bay Area will house 17 Naval installations with a total annual payroll of \$1.3 billion per year.
 - The U.S.S. Missouri Flotilla will bring 5,500 Navy personnel, with an annual payroll of \$110 million to be spent in San Francisco.
 - \$58 million annually in ship building and repair contracts.
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AT THE
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ATOP NOB HILL
IN THE GRAND BALLROOM
WEDNESDAY, JUNE 15, 1988

Master of Ceremonies: The Honorable Joseph Alioto

Guest Speakers: United States Senator, The Honorable Pete Wilson
Speaker of the Assembly, The Honorable Willie Brown
California State Senator, The Honorable Quentin Kopp
The Honorable Dianne Feinstein
Captain Theodore Krumm, U.S.N.
Joseph P. Mazzola

Honored Guests: Congresswoman Nancy Pelosi, California State Senator Milton Marks.

88-369

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ID #881499
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SEP 22 9 27 AM '88

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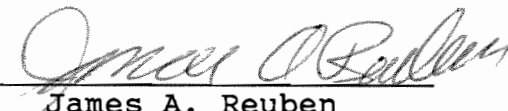
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